



Mobile County Public School System

P.O. Box 1327 • Mobile, Alabama 36633-1327 • (251) 221-4000

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November 9, 2006

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Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

RECEIVED & INSPECTED

DEC 5 - 2006

FCC - MAILROOM

CC Docket No. 96-45 and CC Docket No. 02-6

To Whom It May Concern:

Request for Review of the decision of Universal Service Administrator on the funding decisions referenced below.

Billed Entity Name: Mobile County School District
Billed Entity Number: 128168
FCC Form 471 Application Number: 523962
Funding Request Number: 1443225

Contact Information:

Name: Kay Johnson
Address: 504 Government Street
Mobile, AL 36602
Phone: (251) 221-5136
FAX: (251) 221-5137
E-mail: johnsonp@mcpss.com

INTRODUCTION

Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Universal Service Administrative Company may seek review from the Commission¹. Mobile County School District (hereinafter "MCSD") hereby appeals the current action taken by USAC in the following case.

¹ 47 C.F.R. § 54.719(c).

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"WE WILL TAKE THE RESPONSIBILITY FOR THE SUCCESS OF EACH CHILD."

On October 24, 2006, the SLD reduced funding for MCS D FCC Form 471 Application Number 523962, Funding Request Numbers (FRN) 1443225. Funding for this FRN was reduced due to a SLD determination that:

"The dollars requested were reduced to remove the ineligible product(s)/service(s): 7% for the ineligible components of Educator MXP Integrator Podium, Border Controller, Border Controller and associated Maintenance, Installation and Training."

For the following reasons, MCS D would ask the Commission to reverse the SLD reviewer(s) determination that 100% of the TANDBERG Border Controller and the portion of the funding associated with the associated maintenance, installation and training (\$11,994.75 identified in Table 1) is ineligible under program rules.

Table 1. The following table is an extract from the Item 21 submitted with Application Number 523962 which identifies the items being disputed.

Quantity	Product or Service Description	Undiscounted Amount	Requested/ Appeal Amount (90% Discount)
1	TANDBERG Border Controller - 25 registrations, 5 traversal calls (Maintenance Contract Required) (Tandberg 114090)	\$9,477.50	\$8,529.75
1	Domestic Customer Basic Maintenance (Tandberg 114090V01D)	\$1,750.00	\$1,575.00
1	Domestic Installation and Training (Tandberg 114090V07D)	\$2,100.00	\$1,890.00
		\$13,327.50	\$11,994.75

MCDS is not appealing the 7% reduction of funding for the Educator MXP Integrator Podium and associated maintenance, installation and training.

DISCUSSION

The TANDBERG Border Controller is primarily a firewall traversal device. The Border Controller allows audio/video content from TANDBERG conferencing systems to be transmitted over secure (firewalled) networks without the need to "open" or "unblock" certain network ports on the networks' firewall.

As an example, suppose a school district wishes to use TANDBERG videoconferencing systems to provide distance learning functionality between eligible school locations over the Internet. Since both school locations employ firewalls for data security, those firewalls (normally by default) block the network ports and protocols necessary for the system to connect between sites over the Internet. Enabling the connection, then, is accomplished in one of two ways: first, the network administrator can unblock the necessary ports on the firewall(s) so that the link can be established, thereby reducing security provided by the firewall; or, they may use Border Controllers to

establish the communication link between sites without exposing the networks to a higher security risk due to open ports.

The functionality of the Border Controller is congruent with the description of (eligible) Virtual Private Network components in the 2006 Eligible Services List:

A Virtual Private Network (VPN) uses encryption and/or *tunneling services* in order to provide highly secure communication over the public Internet or in some cases over point-to-point links. (emphasis added)

Tunneling services are exactly what the Border Controller provides. By utilizing this tunneling functionality, the Border Controller enables an applicant to establish a secure communications link between eligible locations for videoconferencing (distance learning) purposes. Although the Border Controller does not accomplish tunneling through the use of "standard" VPN protocols, the Eligible Services List contains no restrictions or specifications on the particular technology employed to accomplish this functionality.

In addition, the Eligible Services List states the following with respect to (eligible) firewalls:

A firewall is a hardware and software combination that sits at the boundary between an organization's network and the outside world, and protects the network against unauthorized access or intrusions.

Although not expressively marketed as a traditional firewall, the Border Controller does provide the protection described above by allowing the organization's firewall to continue to block ports necessary for content distribution. Without the use of the Border Controller, a firewall's security functionality must be reduced to accommodate the transmission of TANDBERG videoconferencing content. Because the Border Controller enables an applicant's firewall(s) to be fully utilized while still allowing videoconferencing content to be distributed, the combination of the applicant's firewall device and the Border Controller provide eligible data protection functionality more effectively than a configuration utilizing only a standard firewall device when TANDBERG videoconferencing systems are used by the applicant.

SUMMARY

For the above listed reasons, MCSD would request that the Commission determine the TANDBERG Border Controller to be an eligible piece of equipment and remand this case back to USAC in order that \$11,994.75, the funding at issue associated with the Border Controller and associated maintenance, installation and training, should be funded.

FUNDING COMMITMENT REPORT
Billed Entity Name: MOBILE COUNTY SCHOOL DISTRICT
BEN: 128168
Funding Year: 2006

Form 471 Application Number: 523962
Funding Request Number: 1443225
Funding Status: Funded
Category of Service: Internal Connections
Form 470 Application Number: 116130000496838
SPIN: 143008119
Service Provider Name: Information Transport Solutions, Inc.
Contract Number: ALJP2004
Billing Account Number: na
Service Start Date: 07/01/2006
Contract Expiration Date: 06/30/2007
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$1,015,095.78
Pre-discount Amount: \$1,015,095.78
Discount Percentage Approved by the USAC: 90%
Funding Commitment Decision: \$913,586.20 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The dollars requested were reduced to remove the ineligible product(s)/service(s): 7% for the ineligible components of Educator MXP Integrator Podium, Border Controller, Border Controller and associated Maintenance, Installation and Training.
FCDL Date: 10/24/2006
Wave Number: 027
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2007

November 9, 2006

Thank you for the opportunity to address this issue. We look forward to receiving your decision.

Sincerely Submitted,

A handwritten signature in black ink that reads "Kay Johnson". The signature is written in a cursive style with a large, stylized "K" and "J".

Kay Johnson
Interim Technology Coordinator
Mobile County School District
Phone: (251) 221-5136
FAX: (251) 221-5137

Attachments:

1. USAC Funding Commitment Decision Letter,
Dated October 24, 2006

USAC

**Schools and Libraries Division
Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981**

TIME SENSITIVE MATERIAL

01667
Margaret Blake
MOBILE COUNTY SCHOOL DISTRICT
504 GOVERNMENT ST
MOBILE, AL 36602



IMPORTANT REMINDERS & DEADLINES

Form 471 Application Number: 523962
Billed Entity Number: 128168
Name of Billed Entity: MOBILE COUNTY SCHOOL DISTRICT

YOUR NEXT STEPS IN THE APPLICATION PROCESS: Following are steps to assist you through the application process. Web page URLs are included to facilitate access to additional information on USAC's website.

REVIEW TECHNOLOGY PLANNING REQUIREMENTS - Program rules require a technology plan based on an assessment of needs and that those plans be approved before the start of services. See "Develop a Technology Plan" at <http://www.usac.org/sl/applicants/step02/> for information about technology plan requirements and approvals.

REVIEW CHILDREN'S INTERNET PROTECTION ACT (CIPA) REQUIREMENTS - CIPA compliance is required for requests for Internet Access, Internal Connections and Basic Maintenance discounts. For information about CIPA requirements and certifications, see "Children's Internet Protection Act (CIPA)" at <http://www.usac.org/sl/applicants/step10/cipa.aspx> for information about CIPA and its requirements.

FILE FORM 486 - You must notify USAC of the start of service, the name of your USAC-certified technology plan approver and your compliance with CIPA on Form 486. See "Begin Receipt of Services" on our website at <http://www.usac.org/sl/applicants/step10/>.

FORM 486 DEADLINE - The Form 486 must be postmarked no later than 120 days after the Service Start Date featured in the Form 486 Notification Letter or no later than 120 days after the date of the Funding Commitment Decision Letter, whichever is later. Use the "Deadlines" calculator on our website at <http://www.usac.org/sl/tools/deadlines> to calculate your Form 486 deadline.

INVOICE USAC - After eligible services have been delivered, invoice USAC to request reimbursement of approved discounts. For information about requesting reimbursement from USAC, see "Invoice USAC" on our website at <http://www.usac.org/sl/applicants/step11/>.

INVOICE DEADLINE - Invoices must be postmarked no later than 120 days after the last date to receive service - including extensions - or 120 days after the date of the Form 486 Notification Letter, whichever is later. Use the "Deadlines" calculator on our website at <http://www.usac.org/sl/tools/deadlines> to calculate your invoice deadline.

DOCUMENT RETENTION - Documents related to the receipt of discounts must be retained for at least five years after the last day of service delivered. For more information, see "Document Retention Requirements" on our website at <http://www.usac.org/sl/about/document-retention-requirements/default.aspx>.

OBLIGATION TO PAY NON-DISCOUNT PORTION/FREE SERVICES ADVISORY - Applicants are required to pay the non-discount portion of the cost of the products and/or services. Service providers are required to bill applicants for the non-discount portion. For further information, see "Obligation to Pay Non-Discount Portion" on our website at <http://www.usac.org/sl/applicants/step11/obligation-to-pay.aspx> and "Free Services Advisory" at <http://www.usac.org/sl/applicants/step06/free-services-advisory.aspx>.

SUSPENSION AND DEBARMENT - Persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the Schools and Libraries Program are subject to suspension and debarment from the program. More information and a current list of persons who have been suspended or debarred is posted in "Suspensions and Debarments" on our website at <http://www.usac.org/sl/about/suspensions-debarments.aspx>.

COMPLETE PROGRAM INFORMATION - including more information on these reminders - is posted to the Schools and Libraries area of USAC's website at www.usac.org/sl. You may also contact our Client Service Bureau using the "Submit a Question" link on our website, toll-free by fax at 1-888-276-8736 or toll-free by phone at 1-888-203-8100.



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 2006: 07/01/2006 - 06/30/2007)

October 24, 2006

Margaret Blake
MOBILE COUNTY SCHOOL DISTRICT
504 GOVERNMENT ST
MOBILE, AL 36602

Re: Form 471 Application Number: 523962
Billed Entity Number (BEN): 128168
Billed Entity FCC RN: 0012283453
Applicant's Form Identifier: YR-9-90%TANDBERG-ITS

Thank you for your Funding Year 2006 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$913,586.20 is "Approved."

Please refer to the Report on the page following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file Form 486 (Receipt of Service Confirmation Form). A guide that provides a definition for each line of the Report precedes the Report.

A list of Important Reminders and Deadlines is included with this letter to assist you throughout the application process.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity) - as products and services are being delivered and billed

TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 523962 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2006," AND
 - The exact text or the decision that you are appealing.

3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981

While we encourage you to resolve your appeal with USAC first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

NOTICE ON RULES AND FUNDS AVAILABILITY

An applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

A GUIDE TO THE FUNDING COMMITMENT REPORT

A report for each funding request in your application is attached to this letter. We are providing the following definitions for the items in that report.

FORM 471 APPLICATION NUMBER: The unique identifier assigned to a Form 471 application by USAC.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by USAC to each Block 5 of your Form 471. This number is used to report to applicants and service providers the status of individual funding requests submitted.

FUNDING STATUS: Each FRN will have one of the following statuses:

1. "Funded" - the FRN is approved for support. The funding level will generally be the level requested unless USAC determined during the application review process that some adjustment is appropriate.
2. "Not Funded" - the FRN is one for which no funds were committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules, or because the total amount of funding available for the Funding Year was insufficient to fund all requests.
3. "As Yet Unfunded" - a temporary status assigned to an FRN when USAC is uncertain at the time the letter is sent about whether sufficient funds exist to make commitments for requests for Internal Connections Other than Basic Maintenance or Basic Maintenance of Internal Connections at a particular discount level. For example, if your application included requests for discounts on both Telecommunications Services and Internal Connections, you might receive a letter with funding commitments for your Telecommunications Services funding requests and with an "As Yet Unfunded" status on your Internal Connections requests. You would receive one or more subsequent letters regarding the funding decisions on your Internal Connections requests.

CATEGORY OF SERVICE: The type of service ordered from the service provider, as shown on your Form 471.

FORM 470 APPLICATION NUMBER: The Form 470 Application Number associated with this FRN from Block 5, Item 12 of the Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by USAC to service providers seeking payment from the Universal Service Fund Programs. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider, if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes, if a Billing Account Number was provided on your Form 471.

SERVICE START DATE: The Service Start Date for this FRN from Block 5, Item 19 of your Form 471.

CONTRACT EXPIRATION DATE: The Contract Expiration Date for this FRN from Block 5, Item 20b of your Form 471, if a contract expiration date was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a for "site specific" FRNs only.

NUMBER OF MONTHS RECURRING SERVICE PROVIDED IN FUNDING YEAR: The number of months of service that has been approved for the funding year, for recurring services.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING CHARGES: Eligible monthly pre-discount amount approved for recurring charges multiplied by number of months of recurring service approved for the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE NON-RECURRING CHARGES: Annual eligible non-recurring charges approved for the funding year.

PRE-DISCOUNT AMOUNT: Amount in Form 471, Block 5, Item 23I, as determined through the application review process.

DISCOUNT PERCENTAGE APPROVED BY USAC: The discount rate that USAC approved for this service.

FUNDING COMMITMENT DECISION: The total amount of funding that USAC has reserved to reimburse your service provider for the approved discounts for this service for this funding year. It is important that both you and your service provider recognize that USAC should be invoiced and that disbursement of funds will be made only for eligible, approved services actually rendered.

FUNDING COMMITMENT DECISION EXPLANATION: This entry provides an explanation of the amount in the "Funding Commitment Decision."

FCDL DATE: The date of this Funding Commitment Decision Letter (FCDL).

WAVE NUMBER: The wave number assigned to FCDLs issued on this date.

LAST ALLOWABLE DATE FOR DELIVERY AND INSTALLATION FOR NON-RECURRING SERVICES: The last date approved by the FCC for delivery and installation of eligible non-recurring services (e.g., equipment). (The last allowable date for delivery and installation of recurring services is always the last day of the fund year, that is, June 30, 2007 for Funding Year 2006.)

Route
Tina
Delivery Point

TW-B204

12/05/06
11:04:46

OMD
PO#
Sdr MOBILE COUNTY PUBLIC
859516454968



W102004Y60

FedEx

STANDARD OVERNIGHT

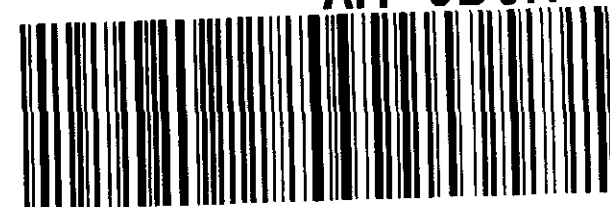
emp# 245670 04DEC06

Deliver
05DEC

TRK# **8595 1645 4968** FORM 0200

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XH GBOA



FedEx US Airbill
Express

8595 1645 4968

020

1 **From**

Date 12-7-06 Sender's FedEx Account Number 27351 888

Sender's Name Tina Phone

Company

Address Dept./Floor/Suite/Room

City State MD ZIP

2 **Your Internal Billing Reference**

3 **To**

Recipient's Name Phone

Company

Recipient's Address Dept./Floor/Suite/Room

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Address

To receive a package be held at a specific FedEx location, print FedEx address here.

City State MD ZIP

4a Express Package

1 ☐ FedEx Priority Overnight
Next business morning. * Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

3 ☐ FedEx 2Day
Second business day. * Thursday shipments will be delivered on Friday unless SATURDAY Delivery is selected. FedEx Envelope rate not available.

4b Express Freight

7 ☐ FedEx 1Day Freight
Next business day. * Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.

* Call for Confirmation

5 Packaging

6 ☐ FedEx Envelope * 2

6 Special Handling

3 ☐ SATURDAY Delivery
Not available for FedEx Standard Overnight, FedEx First Overnight, FedEx 2Day, FedEx 1Day Freight, or FedEx International Freight.

Does this shipment cost more than one box or container?

No ☐ 4 Yes ☐

Damage to goods (including any special claims)

7 Payment Bill to:

1 ☐ Bill to Account No. 2 ☐ Bill to Third Party 3 ☐ Bill to Third Party 4 ☐

Total Packages Total Weight

Useability is limited to \$100 unless you obtain a higher value. See the carrier's terms and conditions.

8 NEW Residential Delivery Signature Options

No Signature Required 10
Package may be left without obtaining a signature for delivery.

Direct Signature 34
Anytime an individual's address may only be delivered. Fee applies.

Indirect Signature
If no one is available, the carrier will attempt to deliver the package to a neighboring address or to the nearest FedEx location.

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